

March 3, 2009

Joseph Ruiz Hearing Officer III Office of Administrative Legal Services

Re: APIPA v. AHCCCS Administration.....

Dear Mr. Ruiz

This correspondence responds to your notice of 2/1/10 where APIPA's request for rescission of sanctions related to above mentioned action was denied. We respectfully disagree, and will provide rebuttal to your arguments in your 2/1/10 notice.

Per the AMPM Chapter 300, Section, medical necessity for hospice and eligibility are ascertained thusly:

"In order to receive hospice services the member requires a physician's certification stating that the member's prognosis is terminal, with the member's life expectancy not exceeding six months. Due to the uncertainty of predicting courses of illness, the hospice benefit is available beyond six months provided additional physician certifications are completed."

You state that "Certificates of terminal illness do not provide explanations of how medical necessity is no longer being met." We did not ask for a certificate or a document. We asked for the physician's "certification" (defined in Webster's dictionary as a "statement") of the member's continued terminal status. This is the gold standard for ascertaining medical necessity for hospice per the APMP cited above.

Additionally, You assert that..." the NOA improperly denied the continuation of previously authorized services". Previous authorization of hospice services does not guarantee services ad infinitum related to the "uncertainty of predicting courses of illness" noted in the AMPM. APIPA has the responsibility to reauthorize requested extended hospice services, again defined in the AMPM to confirm that a member's condition is still terminal through a physician certification process, not a form but a physician statement of the member's continued terminal illness. In order for us to be compliant with the AMPM, APIPA had no choice but to ask for the additional certification in order to authorize additional hospice services. We strongly disagree that the services were improperly denied, and we believe that the AMPM supports our position.

Lastly, you assert that our letter dated 7/31/10 provide only 9 days from the effective date of 8/10/09. The standard counting methodology to which AHCCCS holds APIPA, and all other acute plans takes

"day 1" as the date of the letter. Using that standard method, 8/10/09 is the 11th day post notification, and meets the standard. Additionally this member did not have a break in services at all, as APIPA was able to ascertain continued terminal status during the 10 period.

We believe on all counts that we have proven that this sanction is unwarranted, and ask once again that it be rescinded. While we admit that the wording of the NOA (the word "certification") may be viewed as ambiguous, we have proven that our intent and actions were clearly unambiguous, and followed the AMPM to the letter. This wording by itself, in our opinion, would not rise to the level of sanction or fine. We ask for your reconsideration.

Sincerely,

William Hagan President, APIPA